

## Summary of Pilot Off-Road Loan Incentives (POLI) Program

- Independent Contributor (IC) Program under current CalCAP program.
- The POLI IC program pays the borrower, lender, and CalCAP matching portion of the loan loss reserve contribution.
- Regulation passed by ARB in Summer 2007 (“In-Use Off-Road Diesel Vehicle Regulation”) requires owners of off-road equipment (e.g., construction or mining equipment) to replace or repower older engines or vehicles with newer engines and vehicles, and install retrofit devices that trap diesel particulate emissions (a known toxic air contaminant also known as soot).
- Under ARB’s regulation, equipment owners earn Double Credit towards compliance with regulation if retrofit devices are installed by 3/1/09.
- The POLI IC program requires that (in addition to CalCAP criteria):
  - Loan proceeds are used for purchase of parts and installation of only ARB-verified retrofit devices (currently five off-road devices are verified: <http://www.arb.ca.gov/diesel/verdev/verdev.htm>)
  - Funded equipment is used (or was used) at least part time in the San Joaquin Valley (counties of Fresno, Kings, Madera, Merced, Jan Joaquin, Stanislaus, Tulare, and western portions of Kern County)
  - The Borrower sends ARB clear photo of device as installed, and photocopy of the receipt, including the serial number, within 90 days after installation.
  - The Borrower agrees to allow ARB staff or designee to inspect the funded vehicle to confirm installation.